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FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of	)	
	)	
Performance Measurements and Reporting Requirements for Operations Support Systems, Interconnection, and Operator Services and Directory Assistance	))))	CC Docket No. 98-56 RM-9101

COMMENTS OF MEDIAONE GROUP, INC.

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In The Matter of Performance Measurements and Reporting Requirements for Operations Support Systems, Interconnection, and Operator Services and Directory Assistance	CC Docket No. 98-56 RM-9101

COMMENTS OF MEDIAONE GROUP, INC.

MediaOne Group, Inc. ("MediaOne") submits these comments in response to the Federal Communications Commission's ("Commission's") Notice of Proposed Rulemaking in the above captioned matter.[1/] MediaOne is the parent company of the third largest cable operator in the United States, serving 5.1 million customers.[2/] Through its subsidiary, MediaOne Telecommunications, Inc., MediaOne also owns and operates a number of competitive local exchange carriers (CLECs).[3/]

[1/] In the Matter of Performance Measurements and Reporting Requirements for Operations Support Systems, Interconnection and Operator Services and Directory Assistance, Docket No. 98-56, Notice of Proposed Rulemaking, FCC 98-72, (rel. April 17, 1998) ("OSS NPRM").

[2/] MediaOne Group, Inc. is currently a subsidiary of US WEST, Inc. MediaOne Group, Inc. additionally has interest in international broadband and wireless ventures as well as a 25 percent equity interest in Time Warner Entertainment, L.P. As previously announced, MediaOne Group, Inc. will become a separate publicly-traded company in mid-1998 pending shareholder approval.

[3/] The MediaOne local telephone companies include: MediaOne Telecommunications of California, Inc., MediaOne Business Services, Inc., MediaOne Telecommunications of Massachusetts, Inc., MediaOne Telecommunications of Michigan, Inc., MediaOne Telecommunications of New Hampshire, Inc., MediaOne Telecommunications of Virginia, Inc., MediaOne Telecommunications of Ohio, Inc., MediaOne Telecommunications of Illinois, Florida MediaOne Telecommunications, Inc.

INTRODUCTORY STATEMENT

In this proceeding, the Commission has requested comment on its proposal to develop model performance measurements and reporting requirements for operational support system (OSS) functions, interconnection and access to operator services and directory assistance.[4/] The Commission proposes methods "by which to analyze whether new providers of local telephone service are able to access, among other things, the support functions of incumbent local telephone companies in a non-discriminatory and just and reasonable manner consistent with the 1996 Act's requirements."[5/]

MediaOne strongly supports the Commission in taking this important step towards enabling local telephone competition. As detailed below, MediaOne's local telephone companies are true facilities-based providers. At present, MediaOne neither resells the services of the incumbent local exchange carriers ("ILECs") nor recombines the unbundled network elements ("UNEs") of the ILECS. Instead, MediaOne uses the broadband capacity of cable networks to provide telecommunications services. By providing services over a competing network, MediaOne offers customers a true alternative to ILEC services. Since MediaOne markets its telecommunications services to residential customers, it presents one of the few opportunities for residential customers to exercise real competitive choice.

Even from this position of relative independence from the ILECs, however, the functions the Commission proposes to measure in this proceeding are critical to MediaOne. In order to compete effectively, MediaOne must have nondiscriminatory, just and reasonable access to ILEC

4/ OSS NPRM at ¶11.

5/ OSS NPRM at ¶3, citing The Telecommunications Act of 1996 ("1996 Act"), Pub. L. No. 104-104, 110 Stat. 56, codified *at* 47 U.S.C. §151 *et. seq.*

OSS and timely, high quality interconnection with the ILEC networks. The Commission advances the 1996 Act's pro-competitive policies by proposing these model measurements, which will enable the states to move more quickly towards completion of their own OSS proceedings. MediaOne urges the Commission to proceed with this rulemaking as quickly as practicable, so that the states with pending OSS proceedings can benefit from this matter's results without undue delay, and other states can move ahead more quickly.

BACKGROUND

Over the past three years, MediaOne has invested more than $1.5 billion in its networks, upgrading them from one-way video delivery systems to broadband networks. In 1997 alone, MediaOne spent $757 million rebuilding its systems. These investments are continuing through 1998.[6/] As a result of these investments, MediaOne's cable customers enjoy a clearer picture, greater reliability and more channels.

MediaOne's broadband networks are capable of providing two-way interactive high speed cable information services and telephone services, in addition to cable television. Since it uses the broadband network, as opposed to ILEC networks, MediaOne's local telephone companies offer residential consumers a true alternative in telecommunication service. Unlike many other CLECs, MediaOne does not repackage or rebrand the ILEC network or ILEC services.

MediaOne has launched retail local telecommunications service offerings in two areas of the country and plans to launch its services in at least one additional market by the close of the

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6/ These figures represent investments to the network and are exclusive of additional incremental investment in telecommunications technologies such as switching machines.

year. In its Atlanta, Georgia region, MediaOne began offering telecommunications services to the public in January, 1998. In Southern California, MediaOne began offering telecommunications services to the public in April, 1998. MediaOne focuses on delivering these telecommunications services to residential customers.

Since MediaOne neither resells ILEC services nor purchases ILEC UNEs in its broadband markets, MediaOne has a relatively short, but critical, list of required ILEC services. Today, MediaOne telecommunications companies purchase interconnection trunks, transport and termination, Interim Number Portability ("INP"), E-911, directory services listings (Directory Assistance and White Pages) and collocation from the ILECs in order to provide local telephone service. While its dependence upon ILECs may be more limited than that of other CLECs, MediaOne must nevertheless interact with the ILEC to process each and every one of its customers' service orders and to pass traffic seamlessly among the interconnected networks.

Since MediaOne is just at the beginning of its retail telecommunications offerings to consumers, the process of transitioning customers from ILECs to MediaOne takes on heightened importance. Now is the time when customer perceptions are set and reputations are made. Errors and delays caused by an ILEC when consumers are migrating from an ILEC's service to MediaOne service damage the company's reputation vis a vis the ILEC. This damage amounts to a barrier to exit for the ILEC end users and a barrier to entry for MediaOne.

Poor ILEC performance in providing these critical services is discriminatory, unjust and unreasonable, and therefore contrary to the requirements of the 1996 Act.[7/] As the Commission has previously stated, the term "nondiscriminatory" as used throughout Section 251 of the 1996

[7/] 1996 Act, § 251.

Act requires an equivalency between the terms and conditions an incumbent imposes on itself and third parties.[8] The terms "just" and "reasonable" require incumbents to provide an efficient competitor with a meaningful opportunity to compete.[9] In the pending matter, the Commission correctly states that nondiscriminatory access to OSS "rests on a fairly straightforward concept: efficient and effective communication between the retail service provider and the wholesale provider."[10] As the Commission further states, "efficient and effective" means "that the competing carrier must be able to access the customer data necessary to sign up customers, place an order for services or facilities with the incumbent, track the progress of that order to completion, receive relevant billing information from the incumbent, and obtain prompt repair and maintenance for the elements and services it obtains from the incumbent."[11]

Although in business only a short time, MediaOne already has identified several specific areas of concern with ILEC provisioning of OSS and interconnection.[12] MediaOne has encountered unacceptable levels of difficulty in the provisioning of number portability, the provisioning and maintenance of interconnection trunks, and in the provisioning of information (i.e. training, notice of system changes, and competent help desk resources.)

8/ OSS NPRM at ¶8; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket 96-98, First Report and Order, 11 FCC Rcd 15499 ¶¶ 218, 312 (1996) ("Local Competition Order"); Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499, 15514 (1996), aff'd in part and vacated in part sub nom. Competitive Telecommunications Ass'n v. FCC, 117 F.3d 1068 (8th Cir. 1997), and Iowa Utilities board v. FCC, No. 96-3321 (8th Cir. Jan 22, 1998) petition for cert. Granted, Nos. 97-286 et al. (U.S. Jan 26, 1998), Order on Reconsideration, 11 FCC Rcd 13042 (1996); Second Order on Reconsideration, 11 FCC Rcd 19738 (1996); Third Order on Reconsideration and Further Proposed Rulemaking, 12 FCC Rcd 12453 (1997); further recon. pending.

9/ OSS NPRM at ¶8; Local Competition Order at ¶315

10/ OSS NPRM at ¶9.

11/ *Id.*

12/ Since MediaOne operates in two markets to date, its experience relates to two incumbent LECs - Pacific Bell and BellSouth.

Despite providing reasonable forecasts and working as closely as possible with the ILECs, MediaOne has not been able to obtain the level of interconnection trunking it needs. In Georgia, for instance, less than half of the over one thousand trunks it has ordered from BellSouth have been installed as of the agreed-upon due date. For the trunks past due, BellSouth has been unable to supply firm order completion dates. Since it does not have sufficient trunking capacity from BellSouth's network, MediaOne has experienced numerous instances of inbound trunk blockage. As a direct result, MediaOne has lost customers.

In California, MediaOne ran into roadblocks when it tried to interconnect its Signaling System 7 ("SS7") facilities with Pacific Bell's SS7 network, using Illuminet as a third party SS7 provider. Pacific Bell failed to interconnect the SS7 trunks properly. As a result, custom calling features did not pass between the two networks. It took MediaOne a full two months of *relentless* pursuit to persuade Pacific Bell merely to conduct appropriate tests. When, finally, Pacific Bell conducted the required tests, it discovered numerous errors taking additional time to cure. In the interim, MediaOne was compelled to begin offering services to the public without appropriate SS7 connectivity to Pacific Bell.

Similarly, ILEC provisioning of number portability has been time consuming and error prone. The INP solution generally offered by ILECs and used by MediaOne is remote call forwarding.[13/] MediaOne orders INP independently of ILEC unbundled loops, since it uses its own broadband network. In California, Pacific Bell has processed only a very small percent of MediaOne's INP orders without error. In Georgia, MediaOne has experienced constant problems with requests for INP. While BellSouth has very recently converted from a "fax environment" to

[13/] Some ILECs call this service "directory number call forwarding."

an electronic interface, MediaOne has been unable to receive any firm order confirmations for a significant portion of its orders. Moreover, the ILEC misses the already over - long 48 hour interval for processing the order more often than not. BellSouth takes seven days to process an INP request for a MediaOne customer, while the same ordering process is completed by BellSouth for its own customers in two days. The process is clearly discriminatory. Moreover, these delays and errors limit MediaOne's ability to scale its offerings, are harmful to MediaOne's reputation, and impact customers' service. These effects range from the loss of the ability to make calls, receive calls or to even have dial tone.

MediaOne has also experienced numerous problems with the ILECs in the critical area of information sharing, *i.e.* the process used by ILECs to inform, train, update and assist CLECs in the navigation of ILEC systems, methods and procedures. Like the failures in the provisioning of interconnection trunks and INP, ILEC errors and delays in this area consume MediaOne resources, limit scale and harm MediaOne in its dealings with retail customers.[14/]

For instance, Pacific Bell provides a CLEC Handbook to explain "technical standards" and "business rules". Unfortunately this Handbook is updated using cumbersome software at random intervals with no notice. Similarly, the systems used in ILEC training sessions are outdated. When MediaOne managers attempt to use the systems on which they have been trained, they discover that the ILEC has made software changes without prior notice. Moreover, help desk personnel are not appropriately trained. MediaOne's common experience is that the representatives can explain individual field level information, but cannot identify which fields

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[14/] These errors and delays in providing critical information are contrary to the requirements of the 1996 Act. 47 U.S.C. §251(c)(5).

are required to complete the order. When these representatives are stumped, there are literally no other personnel available at the ILEC to answer these fundamental inquiries.

The pervasiveness and the persistence of these issues cause MediaOne concern with respect to the incumbent LECs' compliance with obligations under Section 251 of the 1996 Act. More importantly, MediaOne views these issues as creating a barrier to its competitive entry.[15/]

SUMMARY

MediaOne applauds the Commission's efforts in proposing methods to measure critical, pro-competitive functions. As evidenced by experience cited above, these proposed steps towards measurements and reporting are needed by the industry as quickly as possible.

The Commission has appropriately balanced its goal of promoting competition with its goal of minimizing the burdens on incumbent LECs. In fact, the Commission's proposal to establish a uniform, national system of measurement is likely to lessen the burden on ILECs while advancing competitive entry. The most appropriate geographic level for reporting is the Metropolitan Statistical Area ("MSA"). The MSA bears a closer relation to markets than do other possible levels, such as states or wire centers, while maintaining a reasonable burden/benefit balance.

The proposed measurements should take better account of facility based competition. MediaOne and other facilities based providers need a measurement for number portability which is separate from the provisioning of an unbundled loop. MediaOne also believes that there are

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[15/] MediaOne attaches to these comments copies of comments it has filed with the California Public Utilities Commission in Competition for Local Exchange Service, R. 95-04-043, I. 95-04-044 (filed April 30, 1998) ("Attachment A") and with the Georgia Public Service Commission in BellSouth Telecommunications, Inc. Statement of Generally Available Terms and Conditions, Docket No. 7253-U (filed May 22, 1998) ("Attachment B").

existing ILEC trunk provisioning and maintenance measures which would improve the proposed interconnection measurements. Finally, MediaOne proposes a mechanism for reporting which balances the competing ILEC's need for the collected information with the concerns for confidentiality.

DISCUSSION

I. THE PROPOSED PERFORMANCE MEASUREMENTS AND REPORTING REQUIREMENTS STRIKE AN APPROPRIATE BALANCE BETWEEN BURDEN AND BENEFIT

The Commission asks whether it has achieved an appropriate balance between its goal of detecting possible instances of discrimination with its goal of minimizing burdens imposed on incumbent LECs.[16/] The response to this inquiry is a resounding "yes." Overall, the proposals by the Commission to establish national measurements and reporting processes appropriately balance the Commission's dual goals. There is no doubt but that the reporting called for by the Commission will place a level of inconvenience on the incumbent LECs. However, the measures proposed go directly to the core of the requirement that ILECs provide reasonable, non-discriminatory access to OSS functions.[17/] Some form of measurement and reporting is required in order to evaluate ILEC compliance with the parity principals. The Commission's proposals strike the right balance.

Adopting national guidelines for these core measures, as NARUC has requested the Commission to do,[18/] will minimize the burden on incumbent LECs. Otherwise, measurements

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[16/] OSS NPRM at ¶ 36.

[17/] 1996 Act, § 251(c)(2) - (4); Local Competition Order at 15514; Iowa Utilities Board v. FCC, 120 F.3d 753, 754 n. 10 (8th Cir. 1997).

[18/] NARUC Convention Floor Resolution No. 5 "Operations Support Systems Performance Standards" (adopted by the Executive Committee on Nov. 11, 1997) ("NARUC Resolution").

and reporting requirements would have the potential to take on thousands of permutations if left to negotiated agreements under Sections 251 and 252 of the 1996 Act,[19] or many multiples if left to individual states.[20] This proliferation of measures has already occurred to a certain extent at the federal level.[21] It would benefit all parties - ILECs, CLECs, state regulators and federal regulators - if a core, uniform set of data were collected.

The benefits to be gained from the proposed measurements and reporting requirements are great. For a facilities based carrier like MediaOne, reasonable, nondiscriminatory provision of interconnection and access to OSS functions is nothing less than the difference between getting into and staying in business or not. Despite its relative independence from ILECs as compared to resellers or UNE purchasers, MediaOne cannot achieve competitive scale as a LEC unless and until OSS functionality and interconnection are provided in compliance with the market-opening provisions of the 1996 Act. A mechanism with which to gauge incumbent LEC performance thus provides great benefit to MediaOne and other competitive LECs.

II. THE APPROPRIATE GEOGRAPHIC MEASUREMENT FOR REPORTING IS THE METROPOLITAN STATISTICAL AREA

MediaOne advocates use of MSAs and non-MSAs for the geographic level of reporting. These areas are defined by the U.S. Census Bureau. These geographic areas track a core area

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[19] 47 U.S.C. §§251, 252

[20] While measurements and reporting are proposed at a national level, actual standards or benchmarks are not discussed herein, consistent with the NARUC resolution. OSS NPRM at ¶ 4; NARUC Resolution.

[21] Letter by Donald J. Russell to Liam S. Coonan, March 6, 1998 "Southwestern Bell Section 271 Performance Measurements" (Final Version) Section VII interim number portability ("Russell Letter") ("Attachment C"); Applications of NYNEX Corporation Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of NYNEX Corporation and Its Subsidiaries, Memorandum Opinion and Order, 12 FCC Rcd 19985, at App. C, § 1(b) (1997); Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in Michigan, Memorandum Opinion and Order, CC Docket No. 97-137, 12 FCC Rcd 20543 (1997); OSS NPRM.

containing a large population nucleus, together with adjacent communities having a high degree of economic and social integration with that core.[22] These geographic areas bear a relationship to the markets in which people live and work and often are generally coincident with market areas CLECs have entered. The MSA is thus a meaningful geographic subdivision for parties to use in evaluating competitive functions.

Proposals to measure on a wire-center or local access and transport area (LATA) basis should be rejected for several reasons. Wire centers and LATAs are geographic areas which exist solely as historic remnants of the monopoly telecommunications industry. These divisions will lose all relevancy with the passage of time, ILEC long distance entry and large scale local competition. It is inefficient to create a system of measurements using geographic measures which will be outdated in the near future. In addition, wire center measurement would likely be too narrow to be valuable. Finally, in those wire centers where only a handful of CLECs operate, the measuring and reporting as proposed could divulge confidential information regarding those companies.

On the other hand, measurements based on state boundaries are too large in many parts of the country. A statewide measurement for a state such as California would obscure, instead of improve, the value of the information collected. In states having multiple, significant population and market centers, a statewide average would dilute the value of the information being measured and could easily hide problem areas. In the balance of benefit and burden, the MSA is superior to a state boundary measure.[23]

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[22] See, www.census.gov/population/www/estimates/metrodef.html.

[23] There may already exist within states geographic reporting subdivisions that are reasonably comparable to the MSA/non-MSA approach. In such cases, where the geographic area is already defined for reporting purposes and
(footnote continued on next page)

Finally, the Commission should reject suggestions that measurements track areas served by LEC - defined market areas or regions. For instance, GTE operates three National Open Market Centers (NOMCs) for processing CLEC orders. These NOMCs serve various GTE territories across the country and would be a poor choice for geographic level of reporting. Obtaining data from this LEC according to the geographic area the LEC has chosen to associate with a particular NOMC serves no purpose but the LEC's own administrative convenience. Moreover, if in fact standards will be set variously at a state commission or interconnection agreement level, NOMC data would average away the important geographic texture of the measures.

III. THE INP MEASUREMENTS PROPOSED BY THE COMMISSION SHOULD TAKE INTO ACCOUNT THE NEEDS OF FACILITIES - BASED CARRIERS

The Commission opens this proceeding by stating its purpose "to increase consumer choice by fostering competition in the provision of local telephone service."[24] It lists three modes of competitive entry: facilities-based service; use of ILEC network elements; and resale of ILEC service. The Commission recognizes that for each mode of entry, a new entrant must rely on the incumbent to be able to offer services to end user customers in a competitive manner.[25/]

Although it recognizes facilities-based carriage as a mode of competitive entry, the Commission proposes measurements that are directed primarily towards the needs of resellers and purchasers of unbundled loops.[26/] The Commission should also take into account the needs

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the division is reasonably identifiable with population centers, an exemption to the MSA measure could be used. Using California as the example again, one might use the existing state reporting areas, i.e., North, South, Los Angeles and Bay Area.

[24] OSS NPRM at ¶1.

[25/] Id.

[26/] See e.g. OSS NPRM at ¶ 49.

of facilities-based carriers who provide services on alternative networks. While facilities-based carriers like MediaOne share some of the interests of resellers and loop purchasers, a critical need for MediaOne is omitted. The Commission does not, but should, propose to measure the provisioning of number portability as separate from the provisioning of an unbundled loop.[27/]

MediaOne is concerned about a combined measurement for number portability and loop provisioning for several reasons. First, MediaOne and other facilities-based local telephone companies will have no meaningful tool with which to gauge ILEC performance in this critical area. MediaOne's consistent experience with multiple ILECs demonstrates that this function is prone to error and delay. As detailed previously herein, the consequences of inadequate INP provisioning are customer harm, company harm and non-scalability of true competitive offerings for the residence market. This function merits independent measurement.

More important is MediaOne's concern that if there is no independent measurement for stand alone number portability performance, this provisioning will fall short. Of course, individual states and individual companies in the process of negotiation can implement such a measure, but the efficiency of a national, uniform process would be lost.

In its discussions with the Department of Justice, SBC Communications, Inc. developed four INP measurements which are tracked and reported independently from loop provisioning.[28/] The Commission should incorporate these measurements into its proposed ordering and provisioning measurements[29/] so that this critical item can be tracked for facilities-based

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27/ OSS NPRM at ¶50, n. 72, App. A. (II)(A), (C-E), App. A. (III).

28/ Russell Letter, Attachment C, at items 62-65. The measures are percent installation completed within x business days; average INP installation interval; percent INP I - reports within 30 days; and percent missed due dates.

29/ OSS NPRM, App. A. (II).

providers, as well as for purchasers of unbundled loops.

IV. THE COMMISSION SHOULD IMPROVE THE PROPOSED INTERCONNECTION TRUNK MEASUREMENTS

The 1996 Act requires ILECs to provide interconnection "that is at least equal in quality" to that provided by the ILEC to itself or others, on " just, reasonable and non-discriminatory terms."[30/] The timely provision of interconnection trunks by the ILECs is absolutely imperative and, in MediaOne's experience to date, is a process in jeopardy. The Commission's proposed categories of measurement will elicit data which will enable the industry to address this issue. MediaOne supports the Commission's proposal for measure trunk provisioning and trunk blockage.[31/]

As with INP, MediaOne urges the Commission to consider the needs of facilities based carriers in establishing interconnection trunk measurements. MediaOne experiences one series of problems with ILECs in the build-out of required facilities when it physically connects to an ILEC network, for instance, in a mid-span meet. MediaOne experiences a different series of issues when it seeks to activate trunk circuits in the ILEC network. These different provisioning requirements should be separately defined and independently measured.

For all but one of the interconnection trunk measurements, the Commission does not propose that the ILEC provide a comparable measurement.[32/] The lack of a comparable ILEC measurement renders the data less meaningful when parties ultimately evaluate the ILECs' compliance with the parity requirements of the 1996 Act. The proposed measurements would be

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30/ 47 U.S.C. §251(c)(2)(C), (D).

31/ OSS NPRM at ¶ 96 - 101.

32/ OSS NPRM App. A, (II)(A), (C-E). Cf. OSS NPRM App. A, (III) comparing common trunks to
(footnote continued on next page)

significantly improved if the ILECs were required to provide data with respect to their own interoffice trunking facilities and/or facilities they build for carriers. The ILECs have collected and reported these statistics for many years.

While MediaOne wholly supports the Commission's efforts in including these critical interconnection trunk measurements, it also urges the Commission to improve the proposal.

V. THE COMMISSION SHOULD DEVELOP ENHANCED REPORTING PROCEDURES

MediaOne supports the Commission's proposals that reports be provided to requesting states or requesting CLECs who already obtain services or facilities from an incumbent LEC through an interconnection agreement or under a statement of generally available terms.[33/] MediaOne suggests that the incumbents be required to distribute reports using a web-based interface, thus minimizing ILEC distribution time and significantly easing access for requesting CLECs.[34/]

MediaOne also endorses the proposals to protect CLEC confidential information by making individual CLEC information available only to that company, and not to other LECs or the general public. Regulatory agencies should protect individual CLEC company data from disclosure using measures currently available to them under appropriate law and regulation.

MediaOne suggests that the reports also state, for each measurement, best individual CLEC score, worst individual CLEC score and average scores for all CLECs. Provision of the data in this manner will provide MediaOne with the data it requires to effectively evaluate

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interconnection trunks.

33/ OSS NPRM at ¶¶ 106-108.

34/ Confidentiality can be preserved through a log on procedure.

incumbent LEC performance. Finally, reports should be provided in monthly intervals so that the data remains fresh and trends can be quickly identified.

VI. THE COMMISSION SHOULD MONITOR AND UPDATE MEASUREMENTS AS ILEC SERVICES CHANGE

Over time, the services provided by incumbent LECs to competitive LECs will change. As the services change, so should the measurements. For example, permanent number portability will replace INP in much of the country in the near future. Permanent number portability measurements will be required as the service is rolled out. Similarly, as ILECs identify new network elements, new measures may be necessary. For example, BellSouth treats network terminating wire as a UNE. For carriers who depend upon access to this wire to provide services, non-discriminatory, just and reasonable access is critical. Measures of BellSouth's provisioning processes for this wire, comparable to unbundled loop measurements, are needed to test compliance with the requirements of the 1996 Act.

CONCLUSION

MediaOne applauds the Commission in its excellent proposals for the establishment of measurements and reporting requirements. MediaOne encourages the Commission to acknowledge the needs of facilities-based carriers, and to serve as a firms set of guidelines to the states, to conclude this matter as quickly as reasonably practicable.

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June 1, 1998

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ATTACHMENT A

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion into Competition for Local Exchange Service.	)))))	R.95-04-043
Order Instituting Investigation on the Commission's Own Motion into Competition for Local Exchange Service.	)))))	I.95-04-044

COMMENTS OF MEDIAONE TELECOMMUNICATIONS OF CALIFORNIA, INC. ON PACIFIC BELL'S NTOICE OF INTENT TO FILE A SECTION 271 APPLICATION

MediaOne Telecommunications of California, Inc. (U-5549-C) ("MediaOne") submits these comments in response to Pacific Bell's ("Pacific's") Notice of Intent ("NOI") to file a Section 271 Application, its Draft Application and its responses to Appendix A, all filed on March 31, 1998, in response to the Managing Commissioner's and Administrative Law Judge's Ruling ("Ruling"), dated February 20, 1998. The Ruling invited interested parties to file comments on the filings on April 30, 1998.

I. INTRODUCTION

MediaOne has invested hundreds of millions of dollars in California to upgrade its cable network to a broadband network in order to provide high speed broadband cable information services and telephone service, in addition to cable television. MediaOne recently launched the offering of digital telephone service to residential customers in the Los Angeles area. As a facilities-based competitor with its own network, MediaOne has not resold Pacific's retail services nor ordered unbundled network elements, although it may do either or both in the future. The services currently obtained by MediaOne from Pacific are therefore limited to Local Interconnection trunks, Interim Number Portability, E-911, Directory Listings (Directory Assistance and White Pages) and Collocation. To place orders and provide listing information, MediaOne uses Pacific's Operational Support Systems ("OSS").

MediaOne serves over 5 million cable customers in more than 750 communities nationwide. In California, MediaOne provides cable television services to approximately 900,000 customers. In addition to its traditional cable services, MediaOne began offering its broadband cable information services, MediaOne Express, in Southern California in February and telephony services on the first of this month.

Although MediaOne's dependence on Pacific may be more limited than other competitive local exchange carriers ("CLECs") due to its broadband network design, it still must interact with Pacific on every single local exchange service it provides within Pacific's service territory. When ordering, provisioning and the transition of customers from Pacific to MediaOne are not prompt, efficient or transparent to the customer, it is MediaOne that is harmed. This is especially true when a new entrant, such as MediaOne, is in its infancy — this is when customer perceptions are set and company reputations are made. Errors and delays on Pacific's part when customers are migrating their local service to MediaOne result in damage, perhaps permanent, to MediaOne's reputation with affected customers. These problems amount to a barrier to exit for Pacific's end users and a barrier to MediaOne's entry into the local exchange market. Also, MediaOne's experience with Pacific to date indicates that on a going forward basis, as MediaOne serves more customers, it may be seriously hampered in its ability to compete with the incumbent local exchange carriers ("ILECs").[1]

II. PACIFIC'S OFFERING OF CHECKLIST ITEMS DOES NOT CONSTITUTE FULL IMPLEMENTATION OF THOSE ITEMS AS REQUIRED FOR SECTION 271 APPROVAL

Pacific's NOI, draft Application and answers to Appendix A of the Ruling look and sound wonderful. It would appear that Pacific has offered all checklist items and that all problems that may have existed initially have been solved and its local competition operation is a humming machine. It would appear from Pacific's filing that it has patiently worked with CLECs and wherever Pacific may have been deficient it has corrected its early processes and provisioning is now error free. Unfortunately, as recently as the last couple of months

[1] MediaOne will be competing in both Pacific's and GTE of California's territories.

as MediaOne has begun to offer local exchange services, it has found Pacific's systems and processes to be cumbersome, error prone and overly complex requiring the use of extensive resources. Pacific's personnel assigned to work with CLECs on systems related issues are often either overworked, poorly trained or unavailable. Necessary notices concerning important updates to systems or training information are late, incomplete or nonexistent. Calls are not promptly returned. The dedication of resources to monitor these implementation and provisioning issues is especially difficult for small entrants like MediaOne that do not have large staffs to handle problems and who must spend endless hours following up with Pacific rather than on selling and servicing its own customers.

In these comments, we will concentrate on just a handful of issues. Specifically, MediaOne has concerns with Pacific's ability to provide interim number portability because of problems it has experienced with ordering and cut over of Directory Number Call Forwarding ("DNCF") service. It also has concerns with Pacific's access to numbering resources which is virtually unlimited while would-be competitors like MediaOne are left waiting for months or even years to obtain a single NXX code per rate center.

Another area of serious concern is with SS7 interconnection and the lack of cooperation from Pacific regarding necessary testing.

Finally, experience with Pacific's ordering and provisioning systems has caused concern about interfaces, training, seemingly arbitrary changes in Pacific's internal procedures and the resources required to track orders at every stage of Pacific's order processing labyrinth. These concerns lead MediaOne to believe that Pacific has yet to live up to the requirements of fully implementing the checklist and that improvements must be made, and made soon, in order for there to be open competition in the local exchange market in California.

A. <u>The Local Exchange Market is Not Fully Open Because Pacific's Access to Numbers Is A Strong Competitive Advantage.</u>

MediaOne is spending $600 million dollars in California over a three year period beginning in 1997 to upgrade its broadband network. It is committed to further investments in

California to expand the service areas in which it offers local exchange services. In order to take advantage of that investment however, it must have access to numbers. The Los Angeles area in which MediaOne wishes to serve customers is one of the most number constrained areas in America. MediaOne has sought numbers in the Numbering Plan Area ("NPA") 310 NXX code lottery with the result that it is still well short of its business needs for numbers, and, unless it obtains some relief, it will be faced with stranded investment and delayed market expansion.

Pacific makes the argument that because number administration is going to a third party administrator, it has complied with the checklist requirement to provide "nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers' 47 U.S.C. §271 (C)(2)(B)(ix).[2] Unfortunately, for many facility based carriers seeking to offer services in areas of high number demand (i.e., jeopardy areas) they are foreclosed from offering services because they do not have access to numbers. The Federal Communications Commission (FCC) was clearly aware of the requirement to have real access to numbers when it stated that "access to telephone numbering resources is crucial for entities wanting to provide telecommunications services because telephone numbers are the means by which telecommunications users gain access to and benefit from the public switched telephone network."[3]

Put simply, Pacific has access to a large pool of numbers and new entrants in number constrained areas do not. By reason of its size and incumbency, Pacific is able to offer services to customers in areas where number availability is severely limited and new entrants cannot compete because they are left waiting for code assignments. While this issue has been discussed at great length in other proceedings, and those arguments need not be reiterated here, the FCC's conclusion of nearly twenty months ago unfortunately remains true: "[i]ncumbent LECs have an advantage over new entrants when a new code is

[2] See Affidavit of William C. Deere, p. 53. Pacific acknowledges that for facility-based CLEC's to provide service, they "must have an NXX Code(s) assigned to their switching location for the provision of telephone numbers to their subscribers..".

about to be introduced, because they can warehouse NXXs in the old NPA. Incumbents also have an advantage when telephone numbers within NXXs in the existing area code are returned to them as their customers move or change carriers."[4]

The fact that no carrier has filed a formal complaint against the number administrator does not prove that competitors have nondiscriminatory access to number resources.[5] Until all facility-based carriers have equal access to unused numbers, whether existing or future assignments, new entrants will be foreclosed from the local exchange market. A competitively neutral solution, whether it is rate center consolidation, line-number pooling, or further (and faster) area code splits, rather than time consuming and wasteful number allocation, must be implemented before, or at least concurrently with, permitting Pacific's request for long distance approval. New facility-based entrants, such as MediaOne, must be given a fighting chance to compete in the local market. Without the ability to freely assign numbers to potential customers like Pacific is able to do, they will be kept on the sidelines.

B. Pacific Has An Affirmative Obligation To Interconnect Its Network as Required Under Sections 251 and 252 of the Act.

The first checklist item requires Pacific to interconnect its network in accordance with the requirements of sections 251(c)(2) and 252(d)(1) of the Act. Part of the requirement of those sections is that ILECs must interconnect their facilities and equipment with any requesting telecommunications carrier in a manner equal in quality to that it provides itself or any other party to which it provides interconnection. MediaOne ran into roadblocks in getting Pacific to meet this obligation when it tried to interconnect its Signaling System 7 ("SS7") facilities with Pacific's SS7 network. MediaOne, like many other CLECs, uses Illuminet as its third-party SS7 network provider. MediaOne connects its SS7 facilities to Illuminet, which in turn interconnects with Pacific's SS7 network.

[3] In re Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Docket No. 96-89, Second Report and Order and Memorandum Opinion and Order, released August 8, 1996, para. 261 (hereinafter referred to as the Second Report and Order.
[4] Id. at para. 289.
[5] See Deere Affidavit, p. 56.